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Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 25 April 2017 from the Permanent Mission of Finland to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Finland to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to transmit herewith, with reference to paragraph 36 of Security Council resolution 2321 (2016), the report of Finland on the measures taken to effectively implement resolution 2321 (2016) (see annex).

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Annex to the note verbale dated 25 April 2017 from the Permanent Mission of Finland to the United Nations addressed to the Chair of the Committee

Report of Finland on the implementation of Security Council resolution 2321 (2016)

Finland has taken the following steps to effectively implement Security Council resolution 2321 (2016).

Measures adopted by the European Union

Finland and the other States members of the European Union have jointly implemented the sanctions against the Democratic People's Republic of Korea imposed by the Security Council in its resolution 2321 (2016) by taking the following common measures:

- Council Decision (CFSP) 2016/2217 (*Official Journal of the European Union*, L 334, 9.12.2016, p. 35) and Commission Implementing Regulation (EU) 2016/2215 of 8 December 2016 (*Official Journal*, L 334, 9.12.2016, p. 29), implementing the designation of additional persons and entities (travel ban and asset freeze).
- Council Decision (CFSP) 2017/345 of 27 February 2017 (*Official Journal*, L 50, 28.2.2017, p. 59) provides the basis for the implementation of measures imposed in resolution 2321 (2016), notably:
  - Prohibition of the export to and procurement from the Democratic People's Republic of Korea of nuclear- and/or missile-usable items, as listed in annex III to resolution 2321 (2016);
  - Prohibition of the export to and procurement from the Democratic People's Republic of Korea of items listed in the conventional arms dual-use list adopted by the Committee pursuant to paragraph 7 of resolution 2321 (2016);
  - Extension of prohibitions on the procurement of copper, nickel, silver and zinc, statues and helicopters and vessels;
  - Establishment of a mechanism for the coal procurement ban, including a cap on total exports to all States Members of the United Nations;
  - Prohibition on the provision of all financial support for trade with the Democratic People's Republic of Korea, including private financial support;
  - Obligation of European Union financial institutions to close existing representative offices, subsidiaries or banking accounts in the Democratic People's Republic of Korea within 90 days of the adoption of resolution 2321 (2016);
  - Obligation to seize and dispose (such as through destruction, rendering inoperable or unusable, storage or transferring to a State other than the originating or destination State for disposal) of items the supply, sale, transfer or export of which is prohibited under resolution 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016) or 2321 (2016) that are identified in inspections, in accordance with obligations under applicable Security Council resolutions, including resolution 1540 (2004);

- Competence to make a vessel subject to targeted measures in accordance with decisions by the Committee pursuant to paragraph 12 of resolution 2321 (2016);
- Prohibition on the procurement of vessel or aircraft services from the Democratic People's Republic of Korea;
- Obligation to deregister and prohibition on registering any vessel that is owned, controlled or operated by the Democratic People's Republic of Korea, including vessels deregistered by other States Members of the United Nations;
- Prohibition on registering vessels in the Democratic People's Republic of Korea, using that country's flag, owning, leasing, operating or providing any vessel classification, certification or associated service or insuring any vessel flagged by the Democratic People's Republic of Korea without approval in advance by the Committee;
- Obligation to restrict entry into or transit through Member State territory of members of the Government of the Democratic People's Republic of Korea, officials of that Government and members of that country's armed forces associated with illicit activities;
- Obligation to expel individuals working on behalf or at the direction of a bank or financial institution of the Democratic People's Republic of Korea;
- Clarification that Member States shall exercise vigilance and prevent specialized teaching and training of nationals of the Democratic People's Republic of Korea in sensitive disciplines that could contribute to the country's proliferation sensitive nuclear activities or the development of nuclear weapons delivery systems, including but not limited to disciplines listed in paragraph 10 of resolution 2321 (2016);
- Obligation to suspend scientific and technical cooperation involving persons or groups officially sponsored by or representing the Democratic People's Republic of Korea;
- Limitation of number of bank accounts to one per diplomatic mission and consular post of the Democratic People's Republic of Korea and one per accredited diplomat and consular officer of the Democratic People's Republic of Korea at banks in the territory of the European Union;
- Prohibition on leasing or otherwise making available real property to the Democratic People's Republic of Korea for any purpose other than diplomatic or consular activities;

• Council Regulation (EU) 2017/330 of 27 February 2017 (*Official Journal*, L 50, 28.2.2017, p. 1) amending Council Regulation (EC) No. 329/2007 (*Official Journal*, L 88, 29.3.2007, p. 1) provides for the implementation of the above measures falling within the scope of the Treaty on the Functioning of the European Union.

Furthermore, the European Union imposed additional restrictive measures against the Democratic People's Republic of Korea. These measures are set out in Council Decision (CFSP) 2017/666 of 6 April 2017 and Council Regulation (EU) 2017/658 of 6 April 2017.

National implementing measures

The above-mentioned European Union Council Regulations are binding in their entirety and directly applicable in all States members of the European Union. Regulation (EC) No. 329/2007 concerning restrictive measures against the Democratic People's Republic of Korea requires member States to determine the penalties applicable to infringements of its provisions.

At the national level, sanctions are enforced by virtue of the Act on the Enforcement of Certain Obligations of Finland as a Member of the United Nations and of the European Union (Sanctions Act, No. 659/1967). The Sanctions Act together with the Criminal Code (No. 39/1889) provide for the penalties and forfeitures to be imposed for violations of European Union Council Regulations.

According to chapter 46, section 1 (9), of the Criminal Code, a person who violates or attempts to violate a regulatory provision contained in or issued on the basis of a European Union Council Regulation on restrictive measures shall be sentenced for a regulation offence to a fine or to imprisonment for at most two years. Pursuant to chapter 46, sections 2 and 3, of the Criminal Code, the penalty for an aggravated regulation offence is at least four months and at most four years of imprisonment, and when the regulation offence is deemed petty, the offender shall be sentenced for a petty regulation offence to a fine.

The arms embargoes imposed in Security Council resolutions and European Union Council Decisions are implemented at the national level by virtue of the Act on the Export of Defence Materiel (No 282/2012). This legislation applies to all goods included in the Common Military List of the European Union (*Official Journal*, C 129, 21.4.2015, p. 1). The export of arms and related materiel and the provision of brokering services and other services related to military activities are subject to specific authorization. Authorization will not be granted for the export of defence materiel to any country that is subject to an arms embargo, unless grounds for exemption exist for the type of export in question, as provided for in a Security Council resolution or a European Union Council Decision.

According to chapter 46, section 11, of the Criminal Code, violation or attempted violation of the authorization scheme referred to in the Act on the Export of Defence Materiel is punishable as a defence supplies export offence. The offender shall be fined or imprisoned for a maximum period of four years.

The export, transit and brokering of dual-use goods, software and technology require a licence from the Ministry of Foreign Affairs, as provided for in the Act on the Control of Exports of Dual-Use Goods (Act No. 562/1996), in line with the European Union export control regime governed by Council Regulation (EC) No. 428/2009 as amended (*Official Journal*, L 134, 29.5.2009, p. 1). Authorization can be denied on the grounds of, inter alia, international obligations that are binding on Finland. Violations or attempted violations of a regulatory provision contained in the Act are punishable as a regulation offence, as provided for in chapter 46, sections 1-3, of the Criminal Code.

The Aliens Act (No. 301/2004) regulates the requirements concerning admission into Finland and visa issuance. The Aliens Act together with Council Decision (CFSP) 2016/849 and Regulation (EC) No. 539/2001 of 15 March 2001, as amended, provide the basis for the refusal of admission to and the denial of visa applications for persons subject to a travel ban.

Responsibility for the enforcement of European Union restrictive measures is divided among the relevant national authorities. For example, the freezing of funds of a natural or legal person designated in a Council Regulation is executed by the Enforcement Authority at the request of the Ministry of Foreign Affairs. Other competent authorities include the National Bureau of Investigation, the Finnish Border Guard and Finnish Customs.